EXHIBIT H

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October 16, 2008

Research Update:

Spanish Broadcasting System Rating Lowered To 'CCC+'

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Table Of Contents

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Rationale

On Oct. 16, 2008, Standard & Poor's Ratings Services lowered its long-term corporate credit rating on Miami, Fla.-based radio and television broadcaster Spanish Broadcasting System Inc. (SBS) to 'CCC+' from 'B-'. The rating outlook is negative.

At the same time, we lowered the issue-level rating on SBS's $350 million senior secured credit facilities to 'CCC+' (at the same level as the 'CCC+' corporate credit rating on the company) from 'B-'. The recovery rating on this debt remains unchanged at '4', indicating our expectation of average (30% to 50%) recovery in the event of a payment default. The credit facility consists of a $325 million term loan due 2012 and a $25 million revolving credit facility due 2010.

In addition, we lowered our rating on the company's preferred stock to 'CCC-' (two notches lower than the corporate credit rating) from 'CCC'.

The ratings downgrade is based on our continued liquidity concerns regarding cash depletion, which are further heightened by the company's inability to draw down fully on its $25 million revolving credit facility. Approximately 40% of the facility, or $10 million, was committed by Lehman Commercial Paper Inc., which failed to fund its portion on Oct. 3, 2008. SBS requested to draw down fully on its revolving credit facility, in part to repay its $18.5 million maturity in January 2009.

SBS owns and/or operates 21 radio stations in markets that reach roughly 48% of the U.S. Hispanic population. In March 2006, the company launched a television station, Mega TV, which accounted for about 6% of revenue in 2007, and entailed meaningful start-up losses. The company has significant revenue concentration in three markets--New York, Los Angeles, and Miami--which account for 70% of revenue in total.

For the second quarter of 2008, revenue and EBITDA declined 5.6% and 31%, respectively. Radio revenue and EBITDA declined 9.0% and 8.9%, respectively, due to weaknesses in local advertising across several major markets, such as Miami, Los Angeles, New York, and Chicago. In addition, the company recorded a $379.4 million noncash impairment charge on the value of its FCC radio broadcast licenses, following a succession of data indicating declining fundamentals.

At Mega TV, revenue increased 60% year over year, while EBITDA losses increased by 68% in the quarter as a result of higher programming expenses related to new program launches. SBS's EBITDA margin was about 15.6% for the 12 months ended June 30, 2008--down from the low-30% area prior to the company's launch of Mega TV. This reflects heavy investments in TV programming, on-air talent, and advertising revenue shares that trail its audience shares. Standard & Poor's expects the increase in programming expenses, which contributed to the drop in EBITDA margins, to continue. The

company indicated that Mega TV's free cash flow deficits could narrow to breakeven in the fourth quarter of 2008. We believe this could be challenging given weak ad demand and our expectation that programming expenses will remain high. We do not expect consolidated margins to recover meaningfully in 2008, despite the company's focus on cost management and its plans to reduce marketing expenses from first-quarter levels.

Total lease-adjusted debt (including preferred stock) to adjusted EBITDA was very high, at 14.9x for the 12 months ended June 30, 2008. EBITDA coverage of interest was 1.2x, and decreases minimally pro forma for the drawdown on the revolving credit facility. EBITDA coverage of total interest and preferred dividends was 0.9x as of the same date. Discretionary cash flow was negative $20.3 million for the 12 months ended June 30, 2008, partially due to higher capital expenditures on a broadcast facility to consolidate Miami television and radio operations. We expect capital spending to subside in the second half of the year, but believe discretionary cash flow will remain negative in 2008 on account of further EBITDA declines. SBS's conversion of EBITDA to discretionary cash flow has been significantly lower than that of peers that are not undertaking loss-making start-up operations and are less leveraged. The company's voluntary payment of cash dividends on its $90 million of 10.75% series B preferred stock, which requires cash-only payments of dividends starting Oct. 15, 2008, has also hampered EBITDA conversion.

Liquidity

The company derives liquidity from cash balances and access to its $15 million revolving credit facility (excluding Lehman Commercial Paper Inc.'s $10 million portion), which was fully drawn as of Oct. 3, 2008. Cash balances were $39 million as of June 30, 2008, down roughly $22 million since Dec. 31, 2007. Although we expect cash usage to subside somewhat for the remainder of the year as losses at Mega TV narrow, we are concerned about the company's rate of cash usage in light of its $18.5 million maturity in January 2009. The company will have to use $3.5 million of cash, in addition to the $15 million of cash proceeds from the revolver drawdown, to repay this obligation. Leverage per lenders' computations was about 12.0x as of June 30, 2008, versus the 7.0x incurrence covenant, limiting the company from assuming further indebtedness. The revolving credit facility, however, is not subject to this limitation.

Outlook

The negative rating outlook reflects our concern that the company could consume its balance sheet cash before it can reverse cash flow deficits. The outlook also reflects, in our opinion, the company's limited access to the capital markets. We could lower the rating if cash flow deficits do not begin to narrow and the company's rate of cash usage continues at its current pace. More specifically, if the company fails to make its dividend payments on its series B preferred stock, and cash balances drop below $15 million, we would lower the rating. An outlook revision to stable, which we view as unlikely during the near term, would require the company to slow its rate of cash usage and rein in its increasing leverage through a debt-reduction plan involving

asset sales, or through earlier-than-anticipated break-even results from its Mega TV operations.

Ratings List

Downgraded

	To	From
Spanish Broadcasting System Inc.		
Corporate Credit Rating	CCC+/Negative/--	B-/Negative/--
Senior Secured	CCC+	B-
Recovery Rating	4	4
Preferred Stock	CCC-	CCC

Complete ratings information is available to subscribers of RatingsDirect, the real-time Web-based source for Standard & Poor's credit ratings, research, and risk analysis, at www.ratingsdirect.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com; select your preferred country or region, then Ratings in the left navigation bar, followed by Credit Ratings Search.